

Response: See the response to Question 14 regarding PCCP land costs. Actual costs will vary from negotiation to negotiation but would represent the fair market value.

51. What happens if someone is ready to develop but there are no conservation credits not available through the PCCP? Does that developer have to wait? If credits are not purchased for mitigation does that mean a project is delayed?

Response: If the PCCP cannot continue to acquire the necessary properties for mitigation for a given species or habitat, it is possible that those projects which generate impacts on those species and habitat could not receive regulatory coverage. This is true with or without the PCCP.

52. While there are 16 alternative reserve maps being considered, is the intent to select one single alternative map to move forward with? What happens to the other alternative maps?

Response: At some point the County will need to select a reserve map for negotiation with the wildlife agencies. Those alternatives not selected will continue to be assessed for purposes of an alternatives analysis in the Environment Impact Report and Environmental Impact Statement.

53. LEDPA findings - what does that mean?

Response: LEDPA refers to the requirement of the Clean Water Act to have a "least environmentally damaging practicable alternative" in order to issue a permit that fills federally regulated wetlands. The County is proposing that the PCCP is a single comprehensive project and that the proposed reserve area would be considered the LEDPA. This would eliminate the need for an alternatives analysis for each subsequent permit.

54. Is the process a waste of time if the County doesn't move forward with a LEDPA map?

Response: The County has determined that the most comprehensive and worthwhile coverage is to integrate wetland permitting with endangered species permitting and consequently the LEDPA is a critical element of the work program. However, it is possible to proceed without wetland regulatory coverage and the LEDPA finding would not be required. This would give us additional flexibility on reserve design but would be lacking in the type of regulatory relief staff feels is appropriate.

55. What are the opportunities for mitigating Placer County's development impacts by purchasing mitigation land in Sutter County?

Response: The County has reviewed one alternative (Alternative 5) that looked at a portion of Sutter County for mitigation in Placer County. The chief problem that we have is that the resources that are scarce in Placer County, vernal pools, are not found in sufficient numbers or are simply not available in the adjoining jurisdictions. Furthermore, the staff at Sutter, Sacramento and Yuba Counties have all expressed concerns about Placer County mitigating within their boundaries. Lastly, restoration or alterations of the landscape in adjoining counties has the potential to affect the similar conservation plans that are being developed in Yuba, Sacramento and Sutter.

56. If a developer in Placer County was to enter into a private contract with a land owner in Sutter County to purchase mitigation land, would Placer County have any say in the matter?

Response: In a scenario without the PCCP the County would not regulate mitigation acquisitions. That activity would be regulated and monitored by the wildlife agencies.

57. If it is anticipated that 40,000 acres of all the land needed to accomplish the PCCP will be acquired in fee title, who will hold title to that land?

Response: The recommendation is to form a joint powers authority as an administrative function to manage the PCCP. No decisions however have been made in this regard. This entity would likely hold fee title. Land management would likely be contracted to a separate entity.

58. Will there will be management entity to monitor the acquired lands?

Response: See the response to Question 57.

59. How will the PCCP deal with de-listed or listed species?

Response: If a species is delisted and the delisting was partially or wholly dependent upon the conservation of lands in Placer County, the County's lands will be important from a management perspective to insure species recovery. The regulatory obligations to require mitigation would not likely be lifted.

ENVIRONMENTAL SUBCOMMITTEE MEETING
December 12, 2006 - 1:00pm
Planning Commission Chambers, CDRA Building

The meeting was called to order at 1:20 pm. Loren Clark, Assistant Planning Department Director, introduced himself and the County staff present (Michael Johnson, Melissa Batteate, and Breann Larimer).

Loren Clark gave a presentation which introduced the Placer County Conservation Plan (PCCP) and provided a summary of the reserve design map alternatives that have been prepared to date. A copy of the presentation is available at the County's website at <http://www.placer.ca.gov/CommunityDevelopment/Planning/PCCP.aspx>. At the conclusion of the presentation, Loren opened up the floor to questions and comments.

The following summarizes the questions raised at the meeting:

1. Do the PCCP impact acres reflect wet acres?

Response: No. The PCCP impact analysis calculates impacts to wetlands on a complex basis, not on a wet acre basis.

2. Does the USFWS consider upland acreage in its Section 7 mitigation considerations?

Response: No. USFWS staff has indicated that Section 7 applications are evaluated differently from Section 10 HCP applications. Section 7 applications are evaluated on a wet acre basis while Section 10 applications must consider more landscape level characteristics Upland acreage.

3. Can staff provide an explanation of the ratio?

Response: The ratio identifies the amount of vernal pool complex available for preservation, shown either as purple or orange on the maps, compared to the amount of vernal pool complex acreage that will be located in the developed areas and presumed impacted.

4. Can staff identify the rankings identified in the priority mapping exercise?

Response: Staff has that information available in our GIS database and will make this available to anyone who wishes to receive a copy.

5. Does the ratio include 100 percent ownership purchase of the preserved acreage?

Response: Yes, the vernal pool ratio assumes all of the vernal pool complexes identified in the purple and orange areas are incorporated into the PCCP reserve system. It would be appropriate to make an assumption in which some percentage, for example 75 percent, of those vernal pool complexes would realistically be available for incorporation into the reserve. As such, the ratios given for each of the alternatives would be lower than the ratios provided by staff.

6. Does it occur to staff that the County may have too many alternatives to select from?

Response: Staff worked with the City of Lincoln, the resource agencies, and various stakeholder groups to determine a reserve design that meets the needs of everyone involved in this process. Thus, sixteen alternatives were prepared. It became apparent through this process that it will be necessary to make a compromise on the alternative selected as no one alternative meets the needs of every interest group.

7. The four sections in the northwest portion of Lincoln are a key piece for conservation.

Response: This area contains a significant amount of vernal pool complexes and is also a location where the City of Lincoln has identified future growth. This opposing dynamic is a critical factor in the analysis and each alternative attempts to reconcile this constraint in a different way.

8. Is it a reasonable expectation that the existing reserve lands be taken out of reserve and put into development?

Response: Several of the alternatives propose to switch a currently conserved property into land that is available for development. Theoretically this is a possible scenario; however, the likelihood of obtaining the needed authorizations and making this modification successfully absent litigation is fairly limited.

9. The U.S. Fish and Wildlife Service (USFWS) has an 85 percent preservation standard in the Vernal Pool Recovery Plan. Alternative 14 only meets a 16 percent preservation standard.

Response: The preservation numbers in all of the identified alternatives will fall significantly lower than the preservation ratios identified in the recovery plan. The adoption of a HCP is a way to plan for the conservation of vernal

pool resources regionally, allowing for the 85% standard to be replaced with the standards identified in the HCP.

10. Why is urbanization of the East Catlett Road area added into the reserve design in many of the alternatives? It adds more urban edge to the preserve system.

Response: For a number of alternatives, this land was identified for development in an attempt to provide the City of Lincoln with a larger footprint for urban growth. While it introduces more urban edge into the reserve system, this area allows the City to meet some of its growth objectives.

11. Have the wildlife agencies reviewed Alternative 14? What is their view of this alternative?

Response: The resource agencies have not reviewed Alternatives 3a, 3b, or Alternatives 9 through 14. They have indicated that Alternative 14 would be a starting point to focus in on reserve design negotiations; however, they have not had a chance to review the Alternative 14 GIS data or run the analysis needed to make such a determination.

12. What direction will staff be seeking from the Board at the January 23, 2007 meeting?

Response: Staff will be seeking the Board's direction to proceed with the PCCP work program. Should the Board wish to proceed, staff will seek direction on which alternative the Board wishes staff to proceed with.

13. A lot of the public does not see the issue with the environmental problems that Placer County is facing. Does the public understand the link between building the Placer Parkway and Sacramento River Water Diversion project and those projects' need for the PCCP?

Response: Along with the City of Lincoln, the Placer County Water Agency, for the Sacramento River Water Diversion project, and the South Placer Regional Transportation Authority, for the Placer Parkway project, are participating in the development of the PCCP. Those projects anticipate using the PCCP permits as a way to meet their various state or federal mitigation obligations.

14. Does the Placer Parkway run into problems without the PCCP in place?

Response: Placer Parkway is participating in the PCCP program as a way to mitigate anticipated impacts resulting from development of the parkway transportation facility. In the absence of the PCCP, this project will need to obtain its required mitigation independently.

**BIOLOGICAL STAKEHOLDERS WORKING GROUP
MEETING
December 12, 2006 - 6:00pm
Planning Commission Chambers, CDRA Building**

The meeting was called to order at 6:00 pm. Michael Johnson, Placer County Planning Department Director, introduced himself and the County staff present (Loren Clark, Melissa Batteate, and Breann Larimer).

Michael gave a presentation that introduced the Placer County Conservation Plan (PCCP) and provided a summary of the reserve design map alternatives that have been prepared to date. At the conclusion of the presentation, Michael opened up the floor to questions and comments.

The following summarizes the questions raised at the meeting:

1. What percentage of vernal ponds is there in Placer Vineyards, and what percentage of vernal ponds is there compared to the entire map? Can Placer Vineyards develop around the vernal ponds so as to have no impact?

Response: Please refer to the *Placer Vineyards Specific Plan* document for details regarding the vernal pool acreage located within the Placer Vineyards project site. Details regarding the amount of onsite resource avoidance and impacts are listed within that document.

2. How much building is allowed adjacent to vernal pools?

Response: At present avoidance of vernal pools is typically measured at 250 feet but can vary when the pool complexes hydrology is taken into consideration.

3. Regarding the anticipated \$1.1 billion cost of the PCCP, who is going to pay that cost?

Response: The cost of the PCCP will be borne by the beneficiaries of the PCCP regulatory permits. Such costs are borne by the same beneficiaries today under the status quo regulatory environment. In real estate markets with strong demand relative to supply, these and other costs of infrastructure needed for new development may ultimately be paid by future homeowners and businesses. Conversely, in a market where there are more substitutes (i.e., where buyers have more choice), costs such as these result in lower developer profit margins and, over the longer term, are reflected in lower land values as developers reduce what they are willing to pay for land.

4. What is the anticipated per acre cost of purchasing mitigation land for the PCCP, either on a per acre or per unit basis?

Response: These costs have not yet been determined because a financial option has not been selected. Costs can vary depending upon whether or not bonded indebtedness is to be used which will include a large interest payment and also whether or not an endowment payment would be required for ongoing costs. Nevertheless the \$1.1 billion estimate for land acquisitions is expected to be borne by the new development that accommodates the increment of new growth between now and 2050. These costs are not proposed to be borne by existing residents and businesses.

5. Will there be different impact/mitigation fees for different areas of the County?

Response: It is too early to determine this specifically. The question is focusing on in-lieu-fee payments and these specific costs have yet to be determined. The mitigation standard for properties containing limited resources (such as an urban infill project) will likely be held to a lower mitigation standard than properties supporting high resource values. These costs would be identified once the PCCP financing options are selected by the Board and the fee structure is identified.

6. There is an ongoing concern that the current taxpayers of Placer County may end up paying for the PCCP, and not the developers.

Response: See the response to Question #3. Much of the cost of the program will be borne by the individuals seeking to use the various State and Federal permits granted to the County through the PCCP, as is the case under the status quo. The financing plan for the PCCP will fully analyze a range of funding sources for covering one-time and on-going costs. The allocation of costs among beneficiaries of the PCCP will be a key criterion for this evaluation. The July 5, 2005 memorandum outlines range of potential funding sources and the key features of each.

7. Is a program such as the PCCP cost effective for developers?

Response: The Board of Supervisors has asked on a number of occasions whether or not the PCCP is cost effective when compared to status quo. Unfortunately this question is nearly impossible to answer because there are so many variables associated with status quo costs and they change from project to project. It is assumed that the PCCP is cost effective because it reduces the time to get permits, has the potential to reduce mitigation ratios and creates a more predictable and certain regulatory environment.

8. There seems to be an inherent conflict in some of the maps drawn by the City of Lincoln, which all but eliminate development in South Placer County? How

will be Board achieve a balance between growth in the City of Lincoln and growth in South Placer County?

Response: The County and the City of Lincoln are working jointly on the preparation of the PCCP. This is one of the reasons why there are so many reserve map alternatives. It is extremely challenging to accommodate the proposed projects in the County and the proposed growth in Lincoln while still maintaining a reserve map footprint that meets the requirements of a regional LEDPA and serves as a regional conservation strategy. Ultimately it will be the decision of the County Board of Supervisors and the City Counsel which reserve map the PCCP will proceed with.

9. Does the Board have jurisdiction over the City of Lincoln? Who is ultimately responsible for approving the PCCP?

Response: The City of Lincoln is proposing to expand its current city boundary through a General Plan Update process. Much of the land they are proposing to expand into is currently unincorporated land within the County's jurisdiction. This land remains in County jurisdiction until such time this land is incorporated into Lincoln's City Limits. This occurs through LAFCO (Local Agency Formation Commission).

10. About how many landowners would be in the purple?

Response: This number fluctuates depending on the alternative. To provide a general estimate using the Alternative 14 boundary, approximately 1,125 property owners are located in the purple boundary. Of this total approximately 445 property owners own land most suitable for the reserve system (i.e. parcels >20 acres in size).

11. What assurances come with having the PCCP in place instead of status quo?

Response: See the response to Question #7.

12. Is there any assurance that if the PCCP is approved, mitigation ratios will not change in future years?

Response: Yes, if the PCCP were implemented, the ratios identified in the plan would be fixed and would not fluctuate from year to year.

13. Based upon what existed in 1937, what percentage of vernal pools still exist in Placer County?

Response: Resource agency staff has suggested that approximately 20% (approximately 16,000 acres) of the historic vernal pools complexes exist today.

14. As the percentage of vernal pools decreases, how does that affect future development?

Response: Future development will need to mitigate for impacts to vernal pools, with or without the PCCP. As vernal pool resources become scarce it will be more difficult to identify vernal pools to conserve.

15. Has the County calculated the loss in value to properties that are placed in the reserve/purple area?

Response: Staff does not agree that land located within the purple areas would be devalued. Land in the purple areas on the reserve maps will not be rezoned. The majority of these lands are zoned for agriculture uses. Property owners in the purple areas will still have the ability to farm their property or sell to an interested party if so desired. If a property owner in the purple wishes to sell their property or an easement on their property for incorporation into the PCCP reserve system they would have the ability to do so.

16. Would the creation of the PCCP result in a drop in tax revenue to the County?

Response: For information on the fiscal implications of the PCCP, including impacts on property tax revenues, the staff had prepared the August 12, 2005 report titled *Local Government Impacts of the Placer County Conservation Plan*. The report was prepared by Hausrath Economics Group for Placer County in order to provide the Board of Supervisors with an early understanding of the fiscal implications of the PCCP work program. The report analyzes the many factors that affect changes in property tax revenue as well as an analysis of offsetting revenues for those lands acquired in fee title.

17. As agricultural activity continues to decline in Placer County, it becomes harder for farmers/ranchers to make a living. If the PCCP is implemented, the County will be limiting the future options available to these farmers/ranchers.

Response: See the response to Question #15. Moreover, many agricultural interests support plans such as the PCCP because they are viewed as implementation of agricultural conservation policies—reducing the intrusion of incompatible land uses and allowing agricultural landowners to capitalize the habitat/mitigation value of their property.

18. What is the amount of money the developers are going to have to pay to purchase mitigation land in Placer County?

Response: The County can only speculate what a developer will pay for mitigation lands. The estimates for a fee title acquisition are derived from the *Cost Analysis for PCCP Alternatives – Revised Draft* dated November 1, 2006 prepared by Hausrath

Economics Group (HEG). These estimates were derived from a number of sources including: Placer County Assessor's Office, real estate brokers, Natomas Basin Conservancy, and California Chapter of the American Society of Farm Managers and Rural Appraisers, 2006 Trends in Agricultural Land and Lease Values. The following Table is a per acre summary from the HEG report. Conservation easement values would be approximately 50% of the fee title acquisition value. There is an overall assumption that 60% of the acquisitions would be fee title and 40% would be conservation easements.

	<u>Valley</u>	<u>Foothills</u>	<u>Sutter Co</u>
Vernal pool grassland	\$65,000		
Rice	\$9,000		\$5,000
All other ecosystems (large parcels)	\$15,000	\$10,000	
All other ecosystems (small parcels)	\$25,000	\$25,000	

19. What is the basis for establishing the 60,000-acre benchmark?

Response: The 60,000 acre figure in the presentation was a benchmark upon which all alternatives are measured against. Each alternative needs to be compared against the same standard so that the results can be compared accurately. The number does not represent the final negotiated acquisition acreage. The number is the potential area that would be required for the permits sought by the County and its partners. The number was based upon a model run from the County's GIS system from the June 2005 Agency Review Conservation Strategy. Negotiations on the actual amount of land needed would commence once a reserve area map was selected for further review.

20. What are the anticipated resources that will be impacted by the projected 54,000 acres of development?

Response: The 54,000 acres of development represents urban development and infill that essentially displaces existing habitat functions and values of a variety of natural community types including grasslands, woodlands, wetlands, and stream systems.

21. Why is property near the Sheridan Mitigation Bank included in the developed/white area? Are those County's interests?

Response: The area in question is to the north and east of the townsite of Sheridan. This is an area that was subdivided into 10-acre parcel a number of decades ago (i.e., the Sheridan Colony Estates Subdivision). Small parcels are typically too fragmented and too expensive to acquire as part of the reserve system. Additionally, there is a large orchard in this area that is largely disconnected from other viable resources. While there is some potential for orchard properties to provide both open space and restoration values, the isolation of this property made an acquisition likely impractical or a low priority. It is important to note that the subject reserve map alternatives do not represent a final boundary. Instead they are intended to provide the basic framework for negotiations.

22. How long does a vernal pool need to be in existence to be considered a vernal pool? Why can't we create vernal pools in Sutter County?

Response: Vernal pools develop over hundreds of years of natural erosion combined with unique soil and subsoil conditions. However, vernal pools are created or restored when soil and subsoil conditions are suitable. Properties such as the Sheridan Mitigation Bank site include such vernal pools and were established for the purpose of selling mitigation credits. Credits sales are authorized once the wildlife agencies have determined that vernal pool function and values have been established. Such credit sales are now allowed to occur shortly after the pools have been constructed. Vernal pools are created following a thorough analysis of the design that includes an assessment of soil/subsoil conditions, hydrologic conditions, the import of organic material to reestablish the native vegetative communities and require a considerable amount of monitoring to insure that performance objectives are met.

Vernal pool mitigation is not presently proposed in Sutter County for a few reasons: 1) vernal pool creation is being discouraged by the wildlife agencies as the basis of a conservation strategy, 2) Sutter County staff have expressed concerns about Placer County mitigating in an adjoining jurisdiction. 3) Sutter County is presently preparing a similar Natural Communities Conservation

Plan and their conservation strategy will likely be based upon the conservation of rice land because it provides habitat for the listed Giant Garter Snake. It would be necessary to convert rice land to vernal pools in order mitigate Placer County's impacts. 4) The rice areas of Sutter County are essential as waterfowl habitat in the American Basin portion of the Pacific Flyway.

23. Is there a minimum size for vernal pools?

Response: The staff is not aware of any minimum size standards for vernal pools. In natural conditions vernal pools can range from just a few square feet in area to many acres in size.

24. If a developer is required to provide off-site mitigation for vernal pools, will the receiving area be required to stop agricultural uses and have the land converted to vernal pools?

Response: Much of the potential PCCP reserve system would be located within the County's farm lands. Some level of restoration may occur through the PCCP; however, a focus of the proposed PCCP has been on the conservation of existing vernal pool resources. Once vernal pools are restored on a landscape, those areas can continue to be grazed.

25. Would the first choice for mitigation land be non-irrigated pasture areas as opposed to flattened rice land?

Response: The question appears to be directed at vernal pool restoration and whether there is a preference towards conducting restoration on non-irrigated pasture versus rice lands. This is a topic that has not been discussed in great detail with the resource agencies and has yet to be determined. In general, there tends to be a preference in restoring landscapes that have retained characteristics of their natural topography; however, vernal pool restoration is highly site-specific.

26. Will the demand for the reserve/purple area increase because there is not enough mitigation land available, and will that result in an increase in value?

Response: The staff cannot predict whether land values will go up or down. Without the PCCP properties will still require mitigation and the area where mitigation will occur, for the most part, in the area delineated as "purple" on the various reserve map alternatives.

Observation of land values over the last few years does show that properties with scarce resources, such as vernal pool grasslands, have experienced a significant increase in value.

27. If developers come in to develop a specific property and there are no vernal pools, will they still need to mitigate/participate in the PCCP?

Response: The final PCCP finance strategy has not been prepared. There is a potential for costs to be distributed evenly across new development and as a consequence properties that do not have vernal pool resources could make